

UNITED STATES DISTRICT COURT  
DISTRICT OF MASSACHUSETTS

SECURITIES AND EXCHANGE  
COMMISSION

*Plaintiff,*

V.

TELEXFREE, INC., ET AL  
*Defendants.*

Civil Action No. 1:14-cv-11858-  
NMG

**DEFENDANT JOSEPH CRAFT’S ASSENTED-TO MOTION TO RELEASE  
CLIENT FUNDS OF CRAFT FINANCIAL SOLUTIONS, LLC, AND  
CRAFT TRUST SERVICES, LLC FROZEN BY BANTERRA BANK AND  
BANK OF AMERICA PURSUANT TO THE EXISTING TRO**

Joseph Craft, by and through his counsel, hereby moves that this Court permit the release of funds frozen by Banterra Bank, 3811 Hayley Drive, Newburgh, Indiana 47630, and Bank of America, P O Box 15284, Wilmington, DE 19850, being specific client funds held in the names of Craft Financial Solutions, LLC and Craft Services Trust Services, or in which Mr. Craft was listed as a signatory for convenience only, but in which Mr. Craft has no ownership. The accounts, stated by initials and the amount held, are, as follows:

1. Banterra Bank has frozen \$3,793.20 in the Craft Trust Services account representing payroll taxes escrowed for Client D in account #40025519. These funds are to be paid to federal and state government for tax purposes.

2. Client E's Funds are frozen by Banterra Bank in the amount of \$61,862.63 in account #40036472. Mr. Craft is a signatory on the account for Client E's convenience, because there are occasions that Client E's principals are not available to pay accounts payable, but Mr. Craft has no interest in Client E or its funds. When the funds are unfrozen they will be returned to Client E, the rightful owner.

3. Banterra Bank has frozen \$49,491.01 in an escrow account #40036227, belonging to MH. The funds were due to be held as part of an interpleader action soon to be brought in the Western District of Kentucky Federal District Court. If released, the funds will be paid into court in Kentucky on behalf of MH.

4. Banterra Bank has frozen \$1906.17 in the Craft Trust Services Account #40025519 representing payroll taxes escrowed for Q. The funds belong to Q, not Mr. Craft.

5. For several years, Mr. Craft has served as a signatory for different small investment accounts on behalf of clients. At present, Bank of America has frozen \$2,498.17 in the account of Lv Group, LLC, account #501010947843 and \$5.05 in Banterra Bank of G, account 501010578610, and an account of A P at Banterra

Bank, account #40025314 in the amount of \$100. There is also an account in the name of SC Trust at Banterra Bank in the amount of \$100, account #40025322. If unfrozen, they will be returned to their rightful owner.

7. Craft Trust Services, LLC, currently has \$316,000 of the investment funds of a firm called Oc, at Banterra Bank in account #40025519. The funds were intended to be placed in a private investment on behalf of the client. Mr. Craft has no interest in the funds. If released they will be paid over to the rightful owner.

8. Finally, although funds at Wells Fargo Bank have not actually been frozen, they are subject to the Court's Restraining Order if that Order is broadly construed. These funds include \$44 held for A P, Ltd., account #7760738216, \$194 held for Dy, LLLP, account #2274112800, \$182.06 held for L Group LLLP, account #7915022946 and #6326309298, \$100 held for the Am Trust, Account #6096590168, and \$200 held for the C Trust, account #8838935099 and #8838939141. There is also an account in the name of Phi, account #5835163741 with a balance \$4,433.13. These are all small investment accounts held for clients. They are not owned by Mr. Craft, nor do they have anything to do with TelexFree.

To demonstrate to the Securities and Exchange Commission that the above listed funds belong to clients of Craft Financial and Craft Services, not to Mr. Craft or to Craft Financial or Craft Services, and that they have no personal or professional interest in accounts and monies referred to above, Mr. Craft, by his

attorneys, has provided the affidavit of a member of Craft Financial under the pains and penalties of perjury who has identified the accounts with their full names and provided the information upon which this motion is based to the Securities and Exchange Commission. In the interest of protecting the privacy of the firms and individuals for whom the Craft entities are holding funds, and the privacy of the member of Craft Financial Solutions, who is not in any way involved in the matters before this Court, the affidavit has remained confidential and has not been attached to the motion.

The Securities and Exchange Commission has assented to this motion. A brief memorandum in support of the motion is provided herewith.

Respectfully submitted,

Joseph Craft

By his attorneys

s/s Thomas E. Dwyer, Jr.

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CERTIFICATE OF SERVICE

I hereby certify that I have provided all counsel of record with service of the foregoing Assented-To Motion this 28<sup>th</sup> day of April, 2014, by means of the Court's ECF filing system.

*s/s Edward T. Dangel, III*  
Edward T. Dangel, III